Financial difficulties being faced by powerloom and handloom industries in Maharashtra

1637. SHRIMATI SUDHA VIJAY JOSHI: Will the Minister of TEXTILES be pleased to state;

(a) whether, it is a fact that the powerloom and handloom industries in Maharashtra have been undergoing financial difficulties due to unprecen-dented rise in prices of yarn and also due to the textile policy of the Government of India;

(b) whether it is also a fact that under the present textile policy powerlooms have been equated with composite mills and that powerlooms have been placed in a disadvantageous position with regard to excise duty and other relevant financial conditions; and

(c) whether the problems faced by the powerloom sector have been examined and if so, what steps have been taken to protect its interests?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI RAFIQUE ALAM): (a) While there has been an increase in the prices of yarn, the production in decentralised sector has also increased. The Government have already appointed a Committee to review the impact of the Textile Policy on various sectors.

(b) For the purpose of policy, powerlooms in the organised mill sector and in the unorganised power-loom sector are to be treated at par and allowed to compete on the basis of their inherent strengths and capabilities.

(c) Government regularly moni tor the situation in the decentralised powerloom sector for corrective ac tion whenever required. Govern ment have suspended exports of staple cotton since July, 1987. To ensure that export of cotton yarn does not affect the domestic availability of cotton, yarn, import of cotton against export of cotton yarn, colton fabric and made-ups has been permitted on advance licensing basis. Government also maintain a constant watch on the situation regarding availability of cotton required for production of yarn etc. Government had also constituted a task force regarding flow of credit to this Sector;

News itme regarding U.K. Marine Insurance firms proposed operation in India

1638. SHRI SUNIL BASU RAY:
SHRIMATI KANAK MUK-HERJEE:
SHRI M. A. BABY;
SHRI MOHAMMED AMIN:
SHRI DIPEN GHOSH;
SHRI RAMNARAYAN GOSWAMI;

Will the Minister of FINANCE be pleased to state;

fa) whether Government's attention has been drawn to the news item regarding U.K. marine insurance firm's proposed operation in India as published in the Indian Post of the 3rd February, 1989; and

(b) if so, what are the details in this regard and what is Government's reaction thereto?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b) Government is aware of the press report published in 'Indian Post' dated the 3rd February, 1989 under the caption "U.K. Marine Insurance Firm looks for toehold in India". This press item was a report about an interview, with a director of a foreign firm called 'Charterco'.

As the general insurance business India is nationalised, the question of allowing any foreign firm to transact marine insurance business in the country does not arise.